

EXHIBIT D

February 21, 2007

Ms. Grace Seaman
Idaho Public Utilities Commission
472 W. Washington 83702
PO Box 83720
Boise, ID 83720-0074

Dear Ms. Seaman:

As required by Federal Communications Commission (FCC) (codified in 47 C.F.R. Para 54.314) state commissions must certify with the Universal Service Administrative Company (USAC) and the FCC stating "that all federal high-cost support provided to eligible telecommunications carriers (ETCs) will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended."

On August 4, 2005, the Idaho Public Utilities Commission (Commission) released Order No. 29841, establishing the specific information necessary for it to comply with this obligation. In response to the Commission's Order, Farmers Mutual Telephone Company (FMTC) submits the following information:

1. 'Two-Year Network Improvement Plan and Progress Report – Details of the projected capital additions for 2007 and 2008 totaling in excess \$1,500,000 are attached. During 2006, FMTC received \$899,412 in federal high cost support, all of it from the Local Switching Support (LSS) fund. LSS is designed to help small rural carriers recover some of the high fixed switching costs of providing service to fewer customers in high-cost areas. LSS is directly attributable to switching investments made and costs incurred. During 2005, FMTC invested in excess of \$300,000 in facilities and incurred expenses in excess of \$5,000,000 to provision universal service to its customers. LSS payments enable FMTC to provide its customers service at rates significantly below cost and reasonably comparable to rates paid by consumers in urban areas. Accordingly, FMTC's use of LSS is in accordance with Section 254 of 1996 Telecommunications Act, which mandates reasonably comparable services and rates between low-cost urban and high-cost rural areas.
2. Outages - FMTC had one outage on May 16, 2005, that met the criteria described in the Order. FMTC has attached the outage report to the FCC that contains all the required details.

3. Unfulfilled Service Requests - FMTC had no unfulfilled service requests in 2005.
4. Customer Complaints – FMTC had no customer complaints in 2005.
5. Service Quality and Consumer Protection Certification - FMTC is in compliance with service quality standards and consumer protection rules established by the Commission.
6. Description of Local Usage Plan - FMTC is the incumbent local exchange carrier (LEC) and it provides customers unlimited local calling at rates approved by the Commission.

FMTC also has enclosed a signed affidavit, as required by the Commission, certifying that all federal high-cost support will be used in the provision, maintenance and upgrading of facilities and services for which the support was intended.

Our consultant, Kevin Kelly, has indicated that you have agreed to expedite this matter in order for FMTC's federal support payments to be promptly reinstated. Also, Mr. Kelly has indicated that that he may require your assistance in petitioning the FCC not to interrupt the flow of federal support. I would like to thank you for your cooperation and assistance in this matter of critical importance to FMTC.

Sincerely,

Gary Davis
General Manager

Enclosures

Affidavit

Farmers Mutual Telephone Company

Federal USF Certification – 2007 Support Year

I, Gary Davis, General Manager, attest that the federal high-cost support received by Farmers Mutual Telephone Company has been, and will be, used only for the provision, maintenance and upgrading of facilities and services for which support is intended as designated by the Federal Communications Commission consistent with Section 254(e) of the Telecommunications Act.

Gary Davis
General Manager

FMTC Proposed Buildout Plan

	2007	2008
FTTH - CALIX Remote Shelf	82,000	170,000
Cisco Router Upgrades	63,600	
Telstrat Additional Cards for Growth	42,400	
	<hr/>	
Total CO	188,000	170,000
5 Miles FTTH (For 2007)	369,600	
7 Miles FTTH (For 2008)		510,000
New customer growth	126,720	95,000
CAD Computer for Mapping	8,000	30,000
	<hr/>	
Total Outside Plant	504,320	635,000
Horizon (billing platform) Server	16,643	
Furniture	8,000	7,000
Roof	11,500	
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Total GSF	36,143	7,000
Total Cap Ex Budget	728,463	812,000
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EXHIBIT E



**IDAHO
PUBLIC UTILITIES
Commission**

US MAIL PERMIT NO. 1000 BOISE, IDAHO

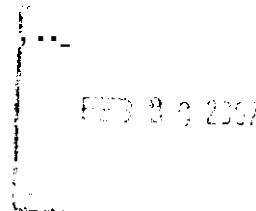
James E. Risch, Governor

P.O. Box 83720, Boise, Idaho 83720-0074

**Paul Kiellander, President
Marsha H. Smith, Commissioner
Dennis S. Hansen, Commissioner**

February 23, 2007

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW—A306
Washington, DC 20554



Karen Majcher
Vice President, High Cost & Low Income Division
Universal Service Administrative Company
2000 L Street, NW, Suite 200
Washington, DC 20036

RE: Certification of Support for Rural and Non-Rural High-Cost Carriers Pursuant to
47 C.F.R. Sections 54.313—314, CC Docket Nos. 96-45 and 00-256

Dear Ms. Dortch and Ms. Majcher:

On February 23, 2007, the Idaho Public Utilities Commission received the annual ETC certification report from Farmers Mutual Telephone Company. The report included an affidavit stating that all federal high cost support provided to the company will be used only for the provision, maintenance and upgrading of facilities and services for which the support is intended, consistent with §254(e) of the Communications Act of 1934, as amended. Farmers Mutual Telephone Company is a rural carrier (SAC 472221).

In reference to rate compatibility in CC Docket No. 96-45, FCC 03-249, released on August 11, 2006, **Idaho** has reviewed the residential rates in the rural areas of the state. All residential rates in Idaho are below the safe harbor nationwide benchmark of \$34.58 per month.

Sincerely,

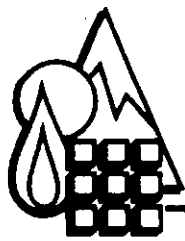
Grace Seaman
Utilities Analyst
Idaho Public Utilities Commission
208.334.0352

No. of Copies rec'd 0
List ABCDF

GS:telecom/FMTC ETC Cert

Located at 472 West Washington **Street, Boise, Idaho 83702**
Telephone: (208) 334-0300 Facsimile: (208) 334-3762

EXHIBIT F



IDAHO PUBLIC UTILITIES Commission

C.L. "Butch" Otter, Governor

P.O. Box 83720, Boise, Idaho 83720-0074

Paul Kjellander, President
Marsha H. Smith, Commissioner
Mack A. Redford, Commissioner

May 1, 2007

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, SW, Room TW—A306
Washington, DC 20554

Dear Ms. Dortch:

The Idaho Public Utilities Commission (IPUC) is writing this letter on behalf of Farmers Mutual Telephone Company (FMTC) in support of their Petition for Waiver of Section 54.314(d) Deadline for High-Cost Support Certification.

FMTC is a rural telephone carrier that serves a mostly farming community along the Idaho/Oregon border. As a mutual telephone company, the Idaho Commission does not regulate FMTC.

Following the Federal Communications Commission's (FCC) adoption of new rules for eligible telecommunications carriers (ETCs) in 2005, the IPUC issued Order No. 29841 on August 4, 2005. With this order, the Idaho Commission established new requirements that more closely matched the FCC rules for ETC designation and for annual reporting requirements for ETC certification. The first ETC annual recertification report to the IPUC was due on or before September 1, 2006.

During various email and verbal communications between the IPUC Staff and FMTC regarding the new state and federal ETC changes, FMTC misunderstood their company's obligation to submit an ETC annual report either with the Idaho Commission or with the FCC. This misunderstanding resulted in a suspension of the traditional federal USF support normally received by FMTC. Once FMTC understood the situation, they immediately submitted the ETC annual report to the IPUC and a certification letter was mailed to the FCC and USAC on February 23, 2007.

In previous years, FMTC has filed the required affidavits for ETC certification in a timely manner. and the IPUC believes the company, absent the misunderstanding, would have done so in 2006. Thus, the IPUC believes withholding of the federal USF revenue is unduly harmful to FMTC.

Located at 472 West Washington Street, Boise, Idaho 83702
Telephone: (208) 334-0300 Facsimile: (208) 334-3762

Marlene H. Dortch
May 1, 2007
Page 2

For these reasons, the Idaho Public Utilities Commission encourages the FCC to grant Farmers Mutual Telephone Company its Petition for Waiver of Section 54.314(d) Deadline for High-Cost Support Certification.

Sincerely,

A handwritten signature in cursive script, appearing to read "Grace Seaman".

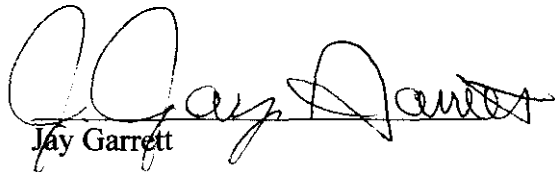
Grace Seaman
Idaho Public Utilities Commission
Utilities Analyst

utecom/FMTC Petition for Waiver support ltr

DECLARATION

I, Jay Garrett, under penalty of perjury, hereby declare as follows:

1. I was the General Manager of Farmers ~~Mtial~~ Telephone Company ("Farmers") from 1984 to September **22, 2006**.
2. I have read the "Petition **for** Waiver of Section 54.314(d) Deadline for High-Cost Support" ("Petition") that Farmers is planning to file with the Federal Communications Commission.
3. The statements in that Petition regarding my conversations and correspondence with the Idaho Public Utilities Commission staff and regarding other events that took place during my tenure **as** General Manager of Farmers are true and correct to the best **of** my knowledge, information and belief.


Jay Garrett

May 9, 2007
Date